SASKATCHEWAN GAMING CORPORATION

ANNUAL REPORT 2001 / 2002

OPERATING AS:

Casino Regina

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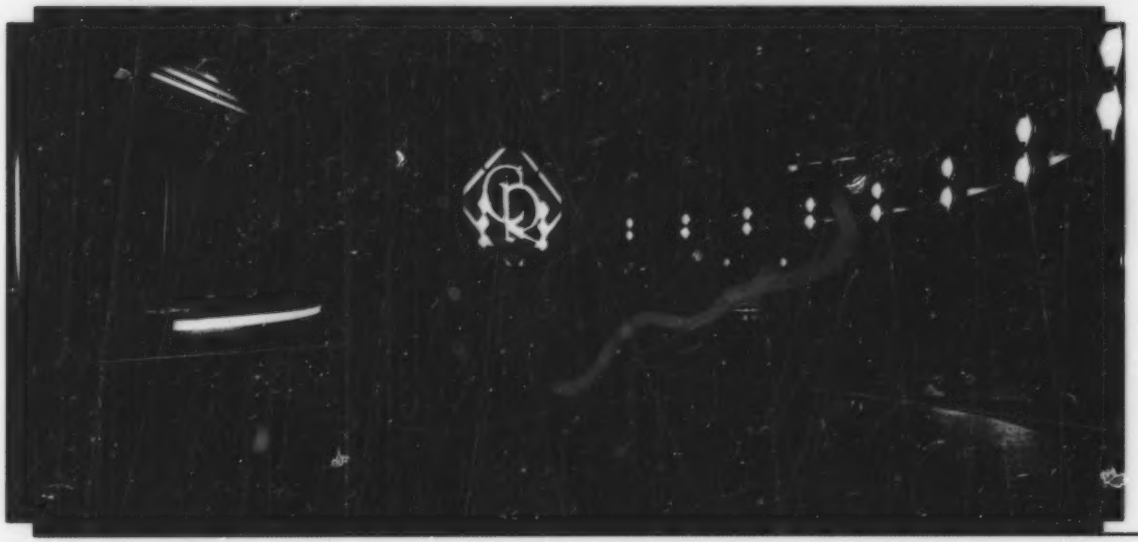
CORPORATE OVERVIEW



Saskatchewan Gaming Corporation is a Treasury Board Crown Corporation established by the Saskatchewan Gaming Corporation Act, 1994. It was created to operate casino gaming in partnership with the Federation of Saskatchewan Indian Nations (FSIN) under a historic agreement that provides for joint management and revenue sharing.

The corporation is responsible to the Saskatchewan government through a Board of Directors appointed by Cabinet. Three members of the corporation's Board of Directors, are nominated by the Chief's Legislative Assembly of the Federation of Saskatchewan Indian Nations.

The corporation operates Casino Regina, and will soon expand its operation with the opening of Casino Moose Jaw this fall, under the regulatory authority and supervision of the distinct and separately constituted Saskatchewan Liquor and Gaming Authority (SLGA).

Casino Regina opened to the public on January 26, 1996. It is a full-service entertainment facility that employs more than 700 people. Casino Regina has 620 slot machines and 37 table games, a restaurant, a Show Lounge offering live entertainment, and a gift shop. Casino Regina is open seven days a week from 9 a.m. to 4 a.m. More information about Casino Regina can be found on our website at www.casinoregina.com.

MANDATE, MISSION, VISION AND VALUES

Mandate

To offer casino entertainment – generating quality employment, economic benefit for the community, and profit for Saskatchewan people, in partnership with First Nations.

Mission

To provide outstanding entertainment in a fun, friendly and exciting atmosphere.

Vision

To be a leading full-service casino operator, committed to excellence, with a strong, proud, diverse team.

Values

Our Guests
We believe that the continued success of Casinos Regina and Moose Jaw will depend on providing excellent customer service and consistently offering fun, friendly and exciting entertainment in first-class facilities in a socially responsible and safe manner.

Our Staff
We believe that the key to providing excellent customer service is having friendly, motivated employees who take pride in their workplace and their jobs. To accomplish this goal we provide meaningful jobs with competitive wages and benefits, training and opportunities for career advancement. We encourage innovation, open communication and teamwork.

Our Partnership
We are proud of our historic partnership agreement with the Federation of Saskatchewan Indian Nations. We respect cultural and individual diversity and are proud to have one of the most culturally diverse workplaces in the province. We are committed to providing a safe, positive workplace where patrons and staff are treated with dignity and respect. Fundamental to that commitment is a policy of zero tolerance of harassment.

Our Integrity
We will continue to work to steadily improve our profitability in a socially responsible manner with full public accountability and the highest level of gaming integrity possible.

Our Community
We are proud that all of our profits are invested in Saskatchewan communities. We take pride in being a good corporate citizen and working with local business and tourism partners to provide indirect and direct economic spin-offs and to improve the quality of life in our community.

MINISTER'S LETTER OF TRANSMITTAL

To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of Saskatchewan

Your Honour,

I am pleased to submit the annual report of the Saskatchewan Gaming Corporation for the period ending March 31, 2002. This report includes the financial statements in the form required by Treasury Board and in accordance with the Saskatchewan Gaming Corporation Act, 1994.

I am pleased to report that for the fiscal year 2001-2002, the corporation earned a net profit of $26.4 million for the people of Saskatchewan, and that during this fiscal year Casino Regina reached an accumulated total of $100 million in profit, which directly benefits the province. These profits are distributed by the Government through the General Revenue Fund with 50 per cent supporting provincial programs and services, 25 per cent going to our partners, the Federation of Saskatchewan Indian Nations, and 25 per cent to the Community Initiatives Fund (formerly the Associated Entities Fund) which directs resources to community groups, Métis organizations and exhibition associations. All of these profits stay in the province to help Saskatchewan people.

The corporation employs over 700 people in quality jobs that continue to create vital economic spin-offs that generate ongoing dividends for the community.

The Saskatchewan Gaming Corporation also continues to lead the way for other government and private sector organizations in its commitment to employment equity and has achieved one of the most culturally diverse workforces in the province, reflecting the diversity of our society and our partnership with the Federation of Saskatchewan Indian Nations. I congratulate our employees and management for receiving the Industry Award for Excellence from the Aboriginal Government Employees Network of Saskatchewan in recognition for their efforts to open up jobs for Aboriginal people. For the second time, the Saskatchewan Gaming Corporation earned recognition from the Saskatchewan Human Rights Commission for its efforts in nurturing a workforce of qualified employees.

Our province will derive even greater benefits in the future, as the Saskatchewan Gaming Corporation will be opening a second casino, Casino Moose Jaw, in the fall of 2002. As a Member of the Legislature from that city, I know the community welcomes the job creation and economic development that will result. Casino Moose Jaw, Casino Regina, and the many tourist attractions that each city can offer, will combine to create a regional tourism attraction that will benefit both cities.

I extend my thanks to the Board of Directors, management and staff for the corporation's contributions to the province and community. I appreciate their continuing achievements in meeting both the financial and social goals of the corporation.
Respectfully submitted,

Glenn Hagel
Minister Responsible for Saskatchewan Gaming Corporation

CHAIR OF THE BOARD'S MESSAGE

Regina, Saskatchewan
June, 2002

To The Honourable Glenn Hagel
Minister Responsible for Saskatchewan Gaming Corporation

Mister Minister,

On behalf of the Board of Directors, I am pleased to submit the 2001-2002 annual report of Saskatchewan Gaming Corporation for the period ending March 31, 2002.

During the year, our strategic planning was further refined and developed by introducing a new process for a multi-year plan which will become part of the annual planning process. The multi-year plan will enhance a strategic planning process that has already produced impressive results, as the list of achievement for this year's annual report demonstrates.

This year has been extremely productive for the corporation. Phase II of the renewal and development project was completed with Human Resources and Aboriginal Affairs moving into a completely renovated, staff learning and development centre in the old CP Telegraph Building; the construction and opening of the Entertainment Centre with the Show Lounge; the construction of a 490-stall parkade east of Broad Street and linked to the Casino by bridge and walkway; and the completion of a climate controlled SkyWalk linking Casino Regina with the Cornwall Centre, the Delta Hotel and Convention Centre. In addition, SGC received approval from the City of Moose Jaw and the provincial government to develop a downtown casino in Moose Jaw. Construction of Casino Moose Jaw began in August of 2001, with the casino to be ready to open in the fall of 2002.

I would like to thank President Joe van Koeverden, the Executive Team, and the staff at the corporation for continuing to provide outstanding entertainment, for maintaining the high level of customer service, and for continuing to demonstrate commitment to staff and to the community. These high standards have been maintained while undertaking additional responsibilities and heavy workloads.

On behalf of the Board and the Corporation, I would like to thank former Board members Margaret Fern, Chief Gilbert Ledoux, and Ronald Crowe for their contributions to the corporation over the past year, and as Chair extend my thanks to the current Board members as well.

Respectfully submitted,

Thomas J. Waller, Q. C., Chair of the Board
Saskatchewan Gaming Corporation

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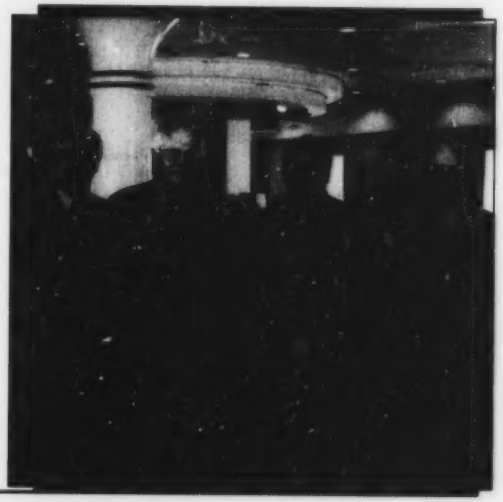
BOARD OF DIRECTORS



Left to Right:
John Lipp, Tom Waller, Eddie Head, Larry Spannier

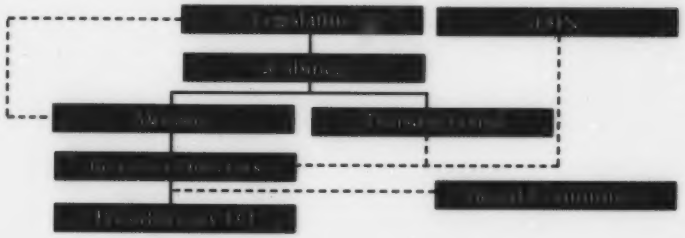
Board of Directors

The Saskatchewan Gaming Corporation Act, 1994 provides, in part, as follows:

6 (1) The corporation shall consist of seven persons appointed by the Lieutenant Governor in Council.

(2) The Lieutenant Governor in Council shall appoint as members:
(a) three persons nominated by the Chief's Legislative Assembly of the Federation of Saskatchewan Indian Nations, and
(b) four other persons.

Governance Structure



PRESIDENT'S REPORT

As we review our accomplishments for the last year, it is evident that we have been resoundingly successful in many areas including financial performance. Although it is our financial performance that gives us the luxury to pursue other goals, it is these other goals which provide the passion and motivation to our staff.

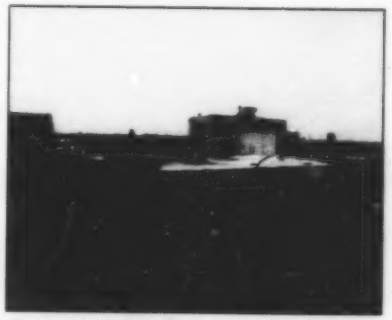
We have done many things that are suggested as the key to moving a corporation from simply being "good" to "great". In the last few years, we addressed a major "brutal reality" – the need to change our corporate culture to match the service industry of which we are a part. We have successfully focused our energies on our passion, being a model employer, our economic engine, gaming, and something we can be best at in the market, customer service. With a clear focus on our long-term vision, we have capitalized on our strength, a dynamic, strong, proud, diverse and young workforce to find innovative ways to meet objectives and solve problems.

It has been the tireless energy of our employees, from frontline staff to the executive team, who have moved this corporation to a new level of performance each year. As we break ground in the areas of learning and development, especially for our Aboriginal employees, and as we meet new revenue targets, achieve new mandates for accountability and reporting and add value to the entertainment experience, we are constantly reminded of their exceptional efforts.

As we continue to seek excellence in all we do, we look forward to another exciting year in which we will host the Canadian Gaming Summit, open our second casino in Moose Jaw and further "push the envelope" of exceptional customer service and entertainment value.

Joe van Koeverden
President and CEO
Saskatchewan Gaming Corporation

NEW DEVELOPMENTS



The exterior of Casino Moose Jaw during construction.

SGC's mandate, "to offer casino entertainment generating quality employment, economic benefit to the community, and profit for Saskatchewan people in partnership with First Nations" was broadened from casino gaming to reflect the corporation's broader role in entertainment. The decision to include a casino in Moose Jaw in 2001-2002 is consistent with both the historical and revised mandates.

Casino Moose Jaw

SGC was originally approached by representatives of Moose Jaw's business community about establishing a casino in downtown Moose Jaw. Working with a downtown business group, SGC developed a proposal for a casino as part of a major downtown reinvestment plan that was approved by Moose Jaw City Council.

The casino, which will be built at a cost of $13 million, is part of a $40 million plan to revitalize the city's downtown. The construction of the casino has pushed forward the 86 room expansion of Temple Gardens Mineral Spa by three years. The casino is directly adjacent to this expansion and both are connected to the Spa by a SkyWalk. The casino is also directly behind the new Cultural Centre now under construction. Casino Moose Jaw will open in September 2002, and will employ approximately 100 people, making it one of the ten largest employers in the city. Casino Moose Jaw and Casino Regina will be key parts of a regional tourism strategy which will focus on the cities' respective tourism strengths. The strategy is part of a larger strategy of partnerships with the two cities, the Regional Economic Development Authorities (REDA) and various tourism organizations.

Lynn Tulloch,
Project Manager, Casino Moose Jaw

Casino Moose Jaw and Casino Regina are operated by SGC and will be run as one corporation governed by the Mandate, Mission, Values, and Strategic Directions of the corporation, with the same operating policies and procedures and regulation by the Saskatchewan Liquor and Gaming Authority (SLGA).

STRATEGIC DIRECTIONS

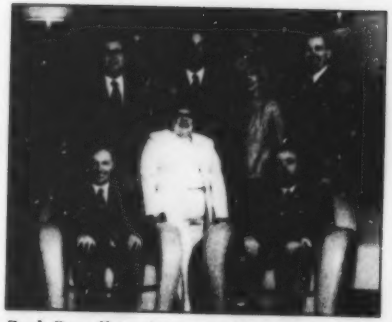
Strategic Directions

SGC has achieved considerable success in setting and meeting its strategic directions and objectives.

To further enhance strategic planning at all levels of the corporation, SGC has begun the development of a multi-year strategic plan which recognizes that the corporation's success depends on first, our customers; and second, our staff; recognizing also that our longer term success also depends on public acceptance and financial accountability. This analysis of the overall requirements to maintain SGC's success, has resulted in the following four main s.rategic directions:

A. Outstanding Entertainment Value, Customer Service and Guest Relations
B. Motivated, Representative, Stable, and Highly Trained Employees
C. Public Acceptance, Corporate Image, and Responsible Partnership Relations
D. Financial Performance and Accountability

The corporation's 2001-2002 annual report is organized on the basis of these strategic directions and the objectives, measurable goals, and processes which flow from them.



Back Row (l to r): Joe van Koeverden, President & CEO; Gerry Fischer, VP Marketing and Casino Services; Twyla Meredith, VP Finance and Administration; Max Dressler, VP Gaming Operations; **Front Row (l to r):** Bill Davies A/VP Corporate Affairs; Elma Shoulak, VP Human Resources and Aboriginal Affairs; Doug Casper, Executive Director Security.

STRATEGIC DIRECTIONS

A: Outstanding Entertainment Value, Customer Service and Guest Relations

To deliver outstanding entertainment value and customer service, where our guests see that we have gone beyond their expectations to create a welcome, fun and exciting atmosphere and entertainment experience.

In support of this strategic direction, four specific goals have been established.

Goal #1: To achieve a consistent **"Customer Service Rating"** (CSR) in key areas of service and entertainment value of **"4.5"** on a scale of 1 (poor) to 5 (excellent).

To meet this goal, three key activities have been identified.

Customer Service Training

SGC has relied on the SaskBest Customer Service Training program developed by the Saskatchewan Tourism Education Council (STEC) as a valuable component of our strategy to develop the level of customer service necessary to deliver outstanding entertainment value and customer service. In 2000-2001, Casino Regina received a "Saskatchewan Best Business Award" for achieving over 60 per cent staff completion of SaskBest Customer Service programs. In 2001-2002, nearly 100 per cent of staff have had SaskBest training. The SaskBest Program emphasizes the importance to staff of being ambassadors not only for Casino Regina, but for our entire province. It is, therefore, a key component of the development of a mature tourism industry for Casino Regina and the other major attractions in the province to achieve a high level of service. The concept of developing a strong regional tourism attraction for Regina and Moose Jaw also depends on the level of entertainment value and customer service that can be achieved.

Operating Manuals

In 2001-2002 SGC began developing a comprehensive set of operating manuals to document all key work activities and processes in the corporation. The manuals are "living documents" that highlight points of contact with customers and opportunities to excel in service situations.

STRATEGIC DIRECTIONS

A: Outstanding Entertainment Value, Customer Service and Guest Relations

Mystery Shoppers

To evaluate our progress on standardizing and maintaining customer service levels and to ensure that we reach our goals, SGC has adopted the concept of Mystery Shoppers (trained representatives from an outside agency who visit the casino as ordinary customers) to evaluate our progress on standardizing and maintaining customer service levels. Mystery Shoppers provide a valuable resource for identifying training needs that are addressed through the SaskBest program.

Goal #2 To increase the **Average Daily Attendance** as per the multi-year plan projections.

The following four key activities have been identified to meet our daily attendance objectives.

Marketing

Casino Regina's innovative marketing campaigns and promotional strategies, which combine advertising promotions, sponsorship and bonus prizes continue to attract more customers to Casino Regina each year. In 2001-2002, we continued our very successful Mystery Jackpots. This year's Mystery Jackpots included: 30 – 7 day cruises for two to the Western Caribbean, trips to Oktoberfest in Germany, Mardi Gras in New Orleans, and St. Patrick's Day in Ireland, and tickets for a private VIP party in the Show Lounge featuring Michelle Wright, Brent Butt and The Wilkinsons.

Player Relations

Casino Regina continued to provide Players Club members with new rewards and benefits. Not only can members receive discounts at The Last Spike Restaurant, they received a new level of rewards in the fall of 2001 with the launch of our Points Earned Rewards Kiosk, or P.E.R.K., where guests can redeem the points they earned through play to receive free parking. We also allowed our players to be the first to see the new Show Lounge with four "Players only" events. By adding the restaurant discount and P.E.R.K., our membership in March 2002 topped 65,000.

TRATEGIC DIRECTIONS

A: Outstanding Entertainment Value, Customer Service and Guest Relations

Advertising

Casino Regina developed a unique advertising campaign focusing on one of the ways Casino Regina is different than other casinos – our history and unique location. Our television commercial featured black and white sections focusing on the 1920s history that transformed into modern day and colour, moving the viewer from the train station, to the beautiful casino it today houses. Print material supported the commercial by featuring the historical scenes.

To help gain knowledge of the Alberta and Manitoba markets, the television commercial was placed in those marketplaces supported by a quarterly newspaper insert. Casino Regina also marketed the Stay & Play program in those markets, and by promoting the Mystery Jackpots with affordable hotel prices, packaged a "weekend of excitement".

The very successful Stay & Play program, that Casino Regina participates in with Tourism Regina and other Regina Tourism partners, was expanded in 2001–2002 to include the South West Tourism Association. The program was so successful it won a Paragon Award. Casino Regina also works with Tourism Regina, Tourism Saskatchewan, the South East Tourism Association, Tourism Moose Jaw, and the Canadian Tourism Commission. We partner with all of these groups to offer exciting opportunities to tourists to increase our attractiveness as a destination.

The glitz and glamour of the Show Lounge is represented in all advertising pieces, including newspaper tipins delivered across Western Canada.

STRATEGIC DIRECTIONS

A: Outstanding Entertainment Value, Customer Service and Guest Relations

Bus Tour Program

The Bus Tour Program has been an important part of Casino Regina's marketing strategy and will continue to be refined, continuing the shared co-operative marketing and special incentives to tour operators and guests. The development of the new Show Lounge and the joint promotions with other tourism attractions in the area, have kept the number of bus guests growing each year. The Bus Tour Program has an important role to play in increasing visitation during certain months and on certain days of the week. The number of bus guest visits has now reached 45,000 per year, a number that Casino Regina hopes to maintain.

Goal #3 – To provide **Exceptional Gaming Entertainment Value** to our guests through an exciting and innovative mix of gaming options, services and entertainment.

The following six key activities have been identified as necessary to achieve exceptional gaming entertainment value.

Slot Machines

Casino Regina continued to offer one of the widest selections of slot machines in Canada with over 600 machines including our specialty games and multiline games in 1 cent, 5 cent, 25 cent and $1 denominations. Our Money Train, a 16-foot replica steam engine with a gigantic slot machine, continued to be Casino Regina's biggest Progressive Jackpot (where one or more slot machines share a common jackpot that increases with each game played). In 2001-2002, The Money Train paid out its biggest jackpot ever – $420,000. Casino Regina offered a large selection of Progressive Jackpots focusing on the railway theme, as well as a variety of current, favourite games.

STRATEGIC DIRECTIONS

A: Outstanding Entertainment Value, Customer Service and Guest Relations

Table Games

In 2001-2002 Casino Regina offered over 35 table games including Progressive Blackjack, Blackjack, Baccarat, Single Zero Roulette, Red Dog, Caribbean Stud Poker, and Bonus Let It Ride. Casino Regina's reputation as Canada's number one poker room continued to grow. Its 5th Annual Harvest Poker Classic held in November, 2001 and the 6th Annual Station Poker Classic held in March of 2002 have become the largest tournaments in Canada, and draw players from across North America and internationally.

Service Delivery

As part of the overall strategy to ensure that our service delivery could meet our goals and objectives for effective, efficient management, a new position, Director of Floor Operations was created to monitor all areas of floor operations. The new position will ensure that all areas of customer service work together to achieve the overall customer service goals and outstanding entertainment value that make up our mission and vision.

Entertainment

With the launch of the Show Lounge, Casino Regina maintained and enhanced its position as a first class destination tourist attraction. The Show Lounge opened December 1, 2001 with A Closer Walk with Patsy Cline, put on by Regina's own Globe Theatre and running until December 22nd. The Show Lounge Grand Opening, held on Casino Regina's sixth anniversary (January 26, 2002), featured an all Canadian line-up of stars including Michelle Wright, The Wilkinsons, and Saskatchewan comedian Brent Butt. Attendance at the Show Lounge has exceeded expectations and increased the number of guests at Casino Regina. Casino Regina was also able to maximize the use of local entertainers in the Show Lounge. In addition to the Globe Theatre's production of A Closer Walk with Patsy Cline, local performers have included Stephanie Thomson, Brad Johner, Rory Allen and The Minnow as well as other Canadian performers like Barrage.

STRATEGIC DIRECTIONS

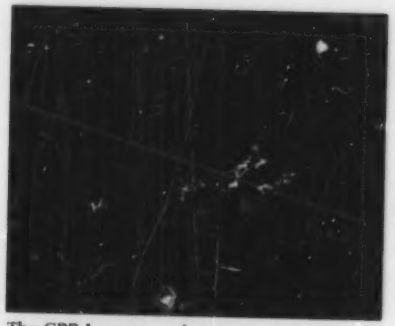
A: Outstanding Entertainment Value, Customer Service and Guest Relations

Auxiliary Services

Auxiliary services consist of the free coat check, the box office for the Show Lounge, the uniform room, customer service representatives, and the other services we offer to our guests. In 2001-2002, the most visible change among our auxiliary services was the expansion of the existing customer parking and implementing coupon programs into connected parkades. These changes have removed a major barrier to entry, especially for the visits of drive by patrons.

Food and Beverage Services

Food and Beverage services will continue to add value through non-alcoholic complimentary beverages on the gaming floor, a new and popular value priced menu in the restaurant, and the breakfast specials and other incentives offered to Players Club members. After the opening of the Show Lounge in December of 2001, entertainment was no longer offered at The Last Spike Restaurant, which has enabled the restaurant to focus exclusively on the food and beverage needs of our guests. In 2001-2002 beverage service was added in the Show Lounge and the new CPR Lounge, which is also part of the Entertainment Centre. Catering continued to be available in the Rail Car, the Telegraph Room and the Coach Room, and was added for the Show Lounge.



The CPR Lounge, a place to meet friends and enjoy a cocktail before the show.

STRATEGIC DIRECTIONS

B: Motivated, Representative, Stable and Highly Trained Employees

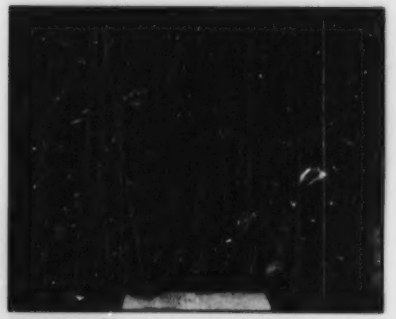
SGC is committed to being an Employer of Choice as an important part of our strategic direction of having motivated, representative, stable and highly trained employees. We have developed two goals to achieve this strategic direction.

Goal #1 – Maintain an **Employee Satisfaction Index** in key areas of safety, satisfaction, empowerment, development and opportunity of 4.5 on a scale of 1 (poor) to 5 (excellent).

To maintain a high level of employee satisfaction, the corporation focuses on five key activities: Labour Relations with In-Scope Employees, maintaining a Performance Management System for all employees, achieving a staff turnover rate of less than 15 per cent, maintaining a healthy and safe workplace, and maintaining effective internal communications.

Labour Relations with In-Scope Employees

In 2001-2002 SGC management continued to maintain good labour relations with in-scope employees through effective communication with our unions, and have ensured that negotiated contracts are within the government mandate. This fiscal year, negotiations took place between SGC and RWDSU, the union representing the food and beverage workers at Casino Regina, and on March 1, 2002 a three-year agreement was signed. This year also saw the achievement of internal equity between PSAC and RWDSU with an evaluation of PSAC and RWDSU positions such as dealers, security personnel, slot attendants, servers, bartenders and hosts. The positions were evaluated to meet the provisions regarding Equal Pay for Work of Equal Value in the Saskatchewan Human Rights Act and by the Saskatchewan Personnel Policy Secretariat.



Back Row (l to r): Sandra Nicholls, Cocktail Server; Kevin Sawicki, HR Consultant; Craig Milliken-Smith, GM Food and Beverage; Brian Lerat, Bartender.
Middle Row (l to r): Lori Stoian, Room Coordinator; Orisha Trombley, Cocktail Server.
Front Row (l to r): Kelly Miner, RWDSU Staff Representative; Joe van Koeverden, President and CEO; Ralph Ermel, Labour Relations Specialist.

CASINO REGINA
LIGHTHOUSE POINT AND CAMPS

B: Motivated, Representative, Stable and Highly Trained Employees

Performance Management System

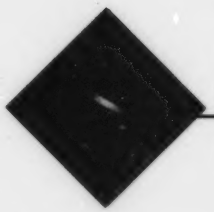
Our Performance Management System is a roll-up of individual employee's work plans that directly correspond to the corporation's priorities. The Performance Management System provides the opportunity for the employer and employee to meet on a quarterly basis to ensure that the employee has the right knowledge, abilities and skills to achieve the work objectives, and secondly for the employer to address any changes in corporate priority or direction.

Staff Turnover Rates

SGC continues to achieve a very low employee turnover rate for the industry. In 2001-2002, our turnover rate was reduced to less than 15 per cent, down from 16.5 per cent in 2000-2001, and much lower than the average annual turnover rate in the hospitality industry which is approximately 200 per cent. SGC continues to work to build its reputation as an employer of choice by seeking to improve working conditions and opportunities for personal and professional development of employees.

Safe and Healthy Workplace

As part of ensuring a safe and healthy workplace, SGC is proactive in dealing with potential health and safety issues and has a strong union - management Occupational Health and Safety Committee. In 2001-2002, SGC tested the hearing of 130 employees, as well as conducting air quality and an ergonomic assessment for table games, customer service, gift shop, bank and slots, and began a joint review with its two unions of the impact of shift work. The Occupational Health and Safety committee has moved toward the completion of a Health and Safety Program which includes Occupational Health and Safety responsibilities incorporated into job descriptions; accident, dangerous occurrence, refusal to work investigation procedures; preventative maintenance schedule and procedures; and a schedule of workplace inspections.



STRATEGIC DIRECTIONS

B: Motivated, Representative, Stable and Highly Trained Employees

Internal Communications

To improve internal communications for employees at Casino Regina, a new format for a weekly newsletter has been planned and the Corporate Affairs Department began work on a comprehensive set of policies and processes (Communications 101) to improve internal communications throughout the corporation.

Goal #2: To maintain a **representative workforce** with special attention to our mandate of **50 per cent Aboriginal** content throughout the organization.

SGC's commitment to maintaining and developing a representative workforce of 50 per cent Aboriginal content throughout the organization is a fundamental element of our Human Resources strategy. Key activities to achieve this goal include: Succession Planning, the Leadership Development Program, the Gaming Administration and Casino Management Strategic Alliance, and the Aboriginal Management Development Program.

As of March 31, 2002 the corporation had 702 employees, of whom 50.2 per cent were Aboriginal, exceeding the target established through the partnership agreement with the FSIN. Women make up 51.6 per cent, Persons with Disabilities 5 per cent, and Visible Minorities 7 per cent.

In 2001-2002, Saskatchewan Gaming Corporation (Casino Regina) received the AGEN (Aboriginal Government Employees Network Industry Award) for the second time. The corporation received this prestigious award because of our achievements and commitment to a representative workforce, diversity, community partnerships and employee learning and development. SGC's Vice-President of Human Resources and Aboriginal Affairs, Elma Shoulak, won AGEN's Workplace Leadership Award for her leadership in developing and maintaining the programs which have made SGC a leader in achieving workplace diversity in Saskatchewan.

STRATEGIC DIRECTIONS

B: Motivated, Representative, Stable and Highly Trained Employees

SGC has established partnerships with many community agencies, including the First Nations' Employment Centre, Saskatchewan Abilities Council, and South Saskatchewan Independent Living Centre to ensure that the corporation can continue to recruit employees from target groups. The following key activities help ensure that SGC continues to maintain its mandate of developing a representative workplace with special attention to our mandate of 50 per cent Aboriginal representation throughout the organization.

Succession Planning

SGC has developed a number of initiatives to achieve diversity at all levels of the corporation. The launch of the Leadership Development Program, the Aboriginal Management Development Program (AMDP), and the Gaming Administration and Casino Management Program developed in conjunction with the Saskatchewan Indian Federated College are three key components:

1. Leadership Development Program

In 2001-2002 SGC developed the Human Resource Management Program for implementation in 2002. The program is the basic foundation for managing process and leading people the SGC way.

TRATEGIC DIRECTIONS

B: Motivated, Representative, Stable and Highly Trained Employees

AMDP Participants Sept. 2001 - Trevor Acoose, Slot Shift Manager; Blair Robison, Purchasing Officer; Joe Pelletier, Dealer; Rita Erickson, Casino Manager.
Missing: Delvina Cyr, Surveillance Officer; Rob Cardinal, Slot Shift Manager.

2. Aboriginal Management Development Program

Six employees attended university as part of their developmental plan for the Aboriginal Management Development Program. For some, this was the first time attending university, while others had been away for quite some time. The results over the past two semesters were outstanding and the AMDP participants received above average grades in such classes as English, Computer Science, Indian Studies, and Statistics. Blair Robison, Purchasing Officer received a place on the First Year Students Honor Roll. The AMDP participants will return to work in May 2002. They will continue with the program by participating in work assignments, managerial assessments, and more classes. Through these programs, as well as succession planning and designated postings, SGC is developing a pool of qualified Aboriginal candidates throughout the organization.

3. Gaming Administration and Casino Management Strategic Alliance

In September 2001, SGC and its strategic alliance partners, Saskatchewan Indian Federated College (SIFC), Saskatchewan Indian Gaming Authority (SIGA), and the Saskatchewan Liquor and Gaming Authority (SLGA) delivered the first gaming administration class to 45 industry and business students, Administration 436AA – An Introduction to the Gaming Industry through the Saskatchewan Indian Federated College School of Business and Public Administration. This pilot course covered a broad range of topics such as gaming legislation, the sociological aspects of gaming, current issues and future gaming developments. The Strategic Alliance partners are working hard to develop and deliver more classes in the near future. Administration 436 AB – Casino Marketing is scheduled to be delivered in September 2002 and Administration 436 AC Gaming – Finance and Administration is scheduled for January 2003.

STRATEGIC DIRECTIONS

C: Public Acceptance, Corporate Image and Responsible Partnership Relations

To increase our visibility in the community as a model corporate citizen, highlighting the benefits that the corporation brings to the community and Saskatchewan people including our public policy objectives and unique partnership with the Federation of Saskatchewan Indian Nations, SGC has developed three goals.

Goal #1: To obtain and maintain a score in the **"Perception of Casinos Regina and Moose Jaw"** survey section of the Customer Survey to a value of **"4.0"** on a scale of 1 (poor) to 5 (excellent) and to assess the success of Casinos Regina and Moose Jaw as a model corporate citizen highlighting the benefits that the corporation brings to the community and Saskatchewan people including our public policy objectives and unique partnership with the Federation of Saskatchewan Indian Nations through media coverage and monitoring relationships with community organizations.

To achieve this goal, four key activities were identified.

Casino Regina Corporate Citizenship

Casino Regina has become an integral part of the community, and works hard to be a model corporate citizen in every aspect of its activities. In 2001-2002, President and CEO Joe van Koeverden was awarded the Prospector's Award by Bid Regina for attracting the 2002 Canadian Gaming Summit to Regina. The Summit is the primary conference and exhibition in Canada's gaming industry and is expected to bring $1.4 million in economic activity to Regina over a three-day period. Also in 2001-2002, the Saskatchewan Gaming Corporation hosted its first Community Partners Party to thank our partners for their work in the community and to provide the opportunity to meet each other and to discuss their achievements. Over 180 people attended the evening. One of the guests, Danielle Sweatman, Executive Director of the Rainbow Youth Centre, wrote to Corporate Affairs after the event: "It means a lot to have a corporation say thank you to us. We are proud to be a partner with Casino Regina and to work together to make Regina a better community."

C: Public Acceptance, Corporate Image and Responsible Partnership Relations

Sponsorship of Community Events

In 2001-2002, the Corporate Affairs Department contributed approximately $110,000 to over 70 community initiatives, and gave staff the opportunity to participate by volunteering.

Volunteer Hours

Casino Regina believes in the importance of providing service to the community through volunteering. In support of that belief, Casino Regina has policies to encourage employees to initiate and participate in activities they identify as important to the community. Casino Regina's volunteer activities are approved by the Sponsorship Committee (the Community Enhancement Committee) made up of employees who help direct the financial and volunteer support that Casino Regina provides to the community. SGC has supported activities ranging from the Mackenzie Art Gallery's Urban Outreach, to the United Way, to numerous fundraising events for local schools including Kitchener, Haultain, Wascana, and Thomson Community Schools.

C: Public Acceptance, Corporate Image and Responsible Partnership Relations

High Profile Community Events

The Saskatchewan Gaming Corporation has also coordinated several high profile events each year in which Casino Regina is the lead and major sponsor. In this fiscal year, the two major events were Human Foosball which raised over $15,000 for the Circle Project, and a National Aboriginal Day, 2001 event in North Central Regina which featured the Premier of Saskatchewan, the Honourable Lorne Calvert, as guest speaker.

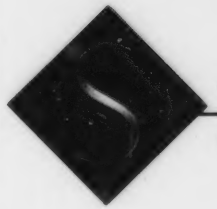
Goal #2 – To maintain a safe and crime free environment for both staff and guests.

Three key strategies were developed to achieve this goal: a security strategy, floor security strategy, and surveillance and investigations strategy.

The following activities were developed to implement the three strategies.

Incident reports and gaming audit reports provide statistical information on the level of activities to be compared to the previous year and the multi-year plan goals. To ensure that Casino Regina maintains a safe and crime free environment, the Security Department develops and maintains the internal key, locks and other security systems which ensure control and restricted access to various parts of the building; determines the level and amount of security to be provided in the casino and other properties; and is responsible for the key activities and procedures used to monitor and investigate activities which affect security as required by the corporation.

Phase II Expansion of Casino Regina included developing security measures for the Learning and Development Centre located in the renovated CP Telegraph Building, as well as the new Show Lounge and Parkade. Security for these new areas is required to maintain the high security measures of the casino itself. These areas alone added over 50 cameras and related security equipment.



TRATEGIC DIRECTIONS

C: Public Acceptance, Corporate Image and Responsible Partnership Relations

Fiscal year 2001-2002 also saw a reorganization of the Security/Surveillance Department to meet the Phase II Expansion, anticipate the requirements of the expansion to Moose Jaw, and provide a better career path for meeting the corporate goal of attaining 50 per cent Aboriginal employees at all levels of the corporation.

As a licensed facility Casino Regina must also ensure that those under the age of 19 are prevented from entering our facility.

Goal #3 To develop and maintain policies and practices which will position SGC as a leader in the area of responsible gaming in the province and industry.

The three key activities which support this goal are Proactive Policies and Procedures that reflect a Leadership Role, an Intervention and Training Program, and a Voluntary and Involuntary Ban Program.

Proactive Policies and Procedures

As part of the corporation's mandate to operate our facilities in a safe and responsible manner, SGC has taken a progressive approach to dealing with the potential negative impacts some people may experience from gaming. While problem gambling affects only a very small percentage of the population, for those people, and their families, we recognize it can be a serious problem.

The corporation continues to develop and implement new policies and procedures to meet its commitment in this area. The corporation continues to promote responsible gaming practices and to increase public awareness of problem gambling. In 2001-2002, SGC became a member of the newly organized Saskatchewan Responsible Gaming Association. The corporation also works closely with the Canadian Mental Health Association and other community organizations, notably the Regina Committee on Problem Gambling and the Moose Jaw Committee on Problem Gambling, to minimize the negative social impacts of problem gambling.

C: Public Acceptance, Corporate Image and Responsible Partnership Relations

Intervention and Training Program

In 2001-2002, SGC reviewed its intervention training course material and the intervention processes for staff. SGC has also begun working towards the establishment of joint training for staff with other provincial gaming operators to be delivered by Problem Gambling Councillors from the Saskatchewan Health Districts.

Voluntary and Involuntary Ban Program

As part of its proactive role in the area of responsible gaming, SGC maintains a voluntary ban admission program, whereby players experiencing problems can have themselves banned from the casino for a specified period of time.

TRATEGIC DIRECTIONS

D: Financial Performance and Accountability

An overhead view of Casino Regina, the Show Lounge and all of its facilities.

To consistently achieve optimal financial performance and health for the corporation, within the guidelines of our mandate, meeting our social responsibility toward gaming and maintaining the highest standards of financial integrity.

Goal #1: To maintain the corporate growth rate as outlined in the multi-year plan with a **net operating income of 42 per cent and a minimum 10 per cent annual revenue growth**.

During the 2001-2002 fiscal year, the corporation posted a net income of $26.4 million, up 16 per cent over the previous year's record profit of $22.7 million. This level of income allowed the corporation to produce a return of 43 per cent.

Net revenues for the year were $66.4 million, up $5.4 million or almost 9 per cent over the previous year. Gross gaming revenue increased to $63.9 million lead by an 11 per cent increase in slot revenues. Table revenues continued their decreasing trend and declined by 3 per cent in 2001-2002.

The key activity used to achieve the targeted corporate growth rate is the development and implementation of the Multi-Year Plan.

D: Financial Performance and Accountability

Multi-Year Plan

The Multi-Year Plan has been under development for the past two years with substantive progress being made this year toward a comprehensive system that will link our strategic directions to the work plans of the executive team and individual business units. Our plan looks two years back to consider recent progress in these areas and then looks forward through the current fiscal and three additional years.

The format of this annual report follows that of the multi-year documents with each strategic direction being supplemented with a number of key goals. By following the theory of managing the critical few rather than the trivial many, the Executive Team has identified the most important goals in each area. These goals are then given specific measurements that will indicate progress or success. In further support of the goals, the key activities that will account for up to 80 per cent of the reasons for success have also been identified with specific team members designated as the lead for that activity. These key activities then become part of the lead's work plan, on which quarterly milestones are checked and reported on to the Executive Team. Progress on these activities is then linked to the performance management system for the individual team member.

This Multi-Year Plan format ensures the on-going focus on long-term goals and objectives of the corporation and provides an excellent measure for performance for both the corporation and the executive team members.

Goal #2: Create and maintain a **business model** for all areas of the Saskatchewan Gaming Corporation to allow for budgeting and forecasts to be developed within 5 per cent of actual performance.

In 2001-2002, the corporation exceeded the budgeted net income by over $1 million or 4 per cent. This was achieved despite the fact that revenues were slightly below the budgeted amount (by 1.7 per cent) as actual expenses were $2 million below the budget (5 per cent).

The key activity used to support this goal was the Business Unit Model for budgeting and forecasting.

D: Financial Performance and Accountability

Business Unit Model

SGC created a business model as a tool to improve the accuracy of its forecasts. The model, which is based on average daily guest counts, is continually fine-tuned to reflect changing guest spending patterns. As a result, it has proven to be a useful tool to spot trends at the corporate level by analyzing a number of key indicators such as daily win per admission.

The business model also proved a useful tool in the development of a business plan for Casino Moose Jaw. Other casino operators across Canada have expressed interest in the model as well.

Goal #3: Maximize the return on the **capital budget** through business planning, working within the 4 per cent capital allowance set by Treasury Board unless otherwise directed.

The key activity for this goal is the Multi-Year Capital Plan to maximize the return on capital.

The official ribbon cutting ceremony of the new SkyWalk, November 2001. The SkyWalk links Casino Regina to the adjacent Cornwall Centre Shopping Mall and Delta Regina Hotel. **Left to Right:** Bland Brown, Executive Director Regina Downtown; Honourable Kim Trew; Regina Mayor, Pat Fiacco.

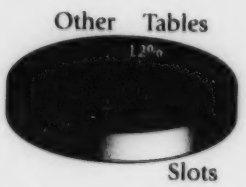
D: Financial Performance and Accountability

Multi-Year Capital Plan

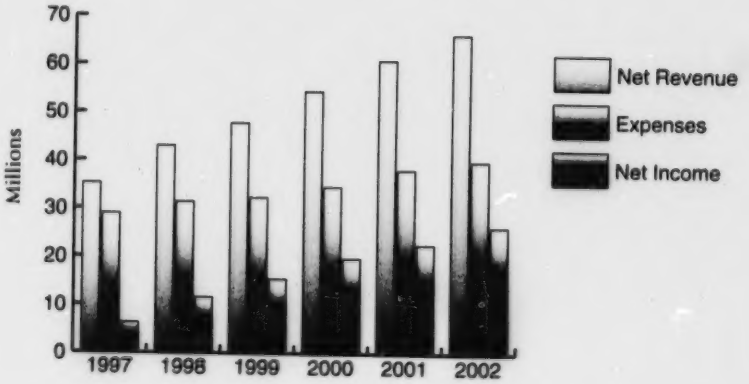
In December 2001, Saskatchewan Gaming Corporation opened its new Show Lounge, which was the highlight of its two-year capital renewal and expansion project. Over the course of the last two years, Casino Regina was completely renovated, a Learning and Development Centre was created, a 490-stall parkade was opened and SkyWalks were installed to link the casino with the Cornwall Centre Shopping Mall and the Delta Regina Hotel and Convention Centre.

Although a few seasonal deficiencies will be completed in the next fiscal year, the entire capital project was completed on time and on budget. In addition, the construction project was completed with 38 per cent of the workforce being Aboriginal. This exceeded the goal of 25 per cent. In addition, over 50 Aboriginal workers enrolled in the province's apprenticeship training program.

To finance the cost of the capital project, Saskatchewan Gaming Corporation secured additional long-term financing. In addition, the corporation entered into an operating lease agreement for some of the new furnishings and equipment that were also part of the approved capital budget.



Revenue by Source



STRATEGIC DIRECTIONS

D: Financial Performance and Accountability

Goal #4: Maintain financial operations and reporting consistent with all regulatory requirements, respecting the highest standards of **financial integrity** in all aspects of the operations and reporting systems.

The key activity to achieve this goal was to work closely with all regulatory and reporting agencies to ensure compliance with all regulations and industry practices.

Ensure Compliance

Given the gaming industry's highly regulated environment, SGC is the subject of numerous audits by various agencies throughout the year. These agencies include the Provincial Auditor, the Saskatchewan Liquor and Gaming Authority (SLGA) and Canada Customs and Revenue Agency (CCRA). In addition, the corporation has contracted Holland Casinos to perform a biannual operational audit of its gaming activities.

During 2001-2002, the corporation engaged the services of KPMG to complete a comprehensive analysis of how GST applies to non-gaming and gaming activities. Based on the allocation methodology recommended by the consultant, SGC submitted a request for GST recovery to CCRA. The CCRA is currently conducting an audit of SGC's new allocation methodology.

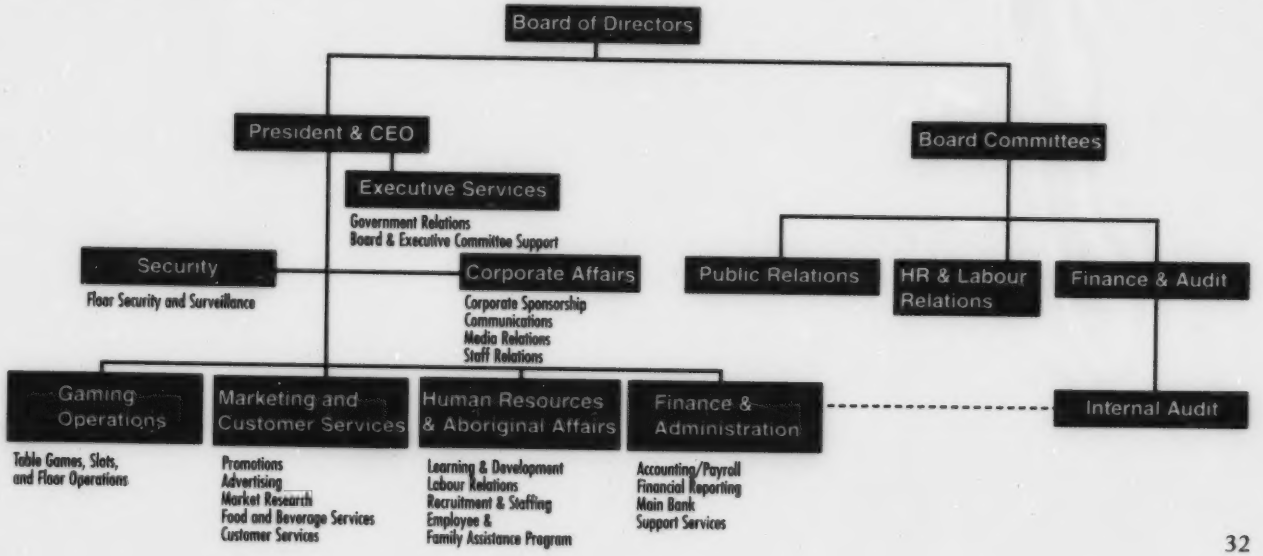
STRATEGIC DIRECTIONS

D: Financial Performance and Accountability

The corporation has identified five areas of risk that it must manage well to ensure its continued success and long-term viability. These key areas are:

- ensuring fairness and integrity in gaming operations;
- maintaining Casino Regina's competitive position as a top tourist attraction;
- meeting government expectations for reasonable profitability and performance accountability;
- offering quality employment and career opportunities consistent with employment equity objectives; and,
- operating in a socially responsible manner.

In addition to the Provincial Auditor's annual audit of SGC's financial statements and internal control systems, the Provincial Auditor's Office conducted a review of SGC's systems and practices to ensure the integrity of its gaming operations (the first risk area identified above). Although the Auditor has recommended some areas of improvement, he states that, "overall, SGC has done a good job of managing its affairs." SGC appreciates the Auditor's observations and is in the process of implementing all of the recommendations.



S
ASKATCHEWAN GAMING CORPORATION HOLDINGS INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2002
OPERATING AS:
Casino Regina

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of SGC Holdings Inc. as at March 31, 2002 and the statements of operations and retained earnings, and cash flows for the year then ended. The Corporation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
April 29, 2002

Fred Wendel, CMA, CA
Acting Provincial Auditor

SASKATCHEWAN GAMING CORPORATION HOLDINGS INC.

STATEMENT 1
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31

Assets

	2002	2001
Current assets:		
Cash	$ 133,468	$ 248,953
Accounts receivable	678,011	185,221
Prepaid expenses	141,634	---
Lease receivable from SGC (Note 3)	5,739,236	4,448,217
	6,692,349	4,882,391
Long-term lease receivable from SGC (Note 3)	38,922,485	23,054,613
Total Assets	$ 45,614,834	$ 27,937,004

Liabilities and Equity

Current liabilities:		
Accounts Payable	$ 2,208,644	$ 1,668,680
Due to SGC (Note 4)	7,990,091	6,156,558
Current portion of long-term debt (Note 5)	2,111,202	1,285,286
	12,309,937	9,110,524
Long-term Debt (Note 5)	33,276,001	18,808,171
	45,585,938	27,918,695
Equity:		
Share Capital (Note 6)	1,000	1,000
Retained Earnings (Statement 2)	27,896	17,309
	28,896	18,309
Total Liabilities and Equity	$ 45,614,834	$ 27,937,004

(See accompanying notes to the financial statements.)

SASKATCHEWAN GAMING CORPORATION HOLDINGS INC.

STATEMENT 2
STATEMENT OF OPERATIONS AND RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31

	2002	2001
Revenue:		
Bank Interest	$ 27,901	$ 17,467
Other	378	1,710
	28,279	19,177
Expenses:		
Bank Charges	333	1,818
Other	50	50
	383	1,868
Net income	27,896	17,309
Retained earnings, beginning of the year	17,309	8,757
	45,205	26,066
Transfer to SGC	17,309	8,757
Retained earnings, end of the year (Statement 1)	$ 27,896	$ 17,309

(See accompanying notes to the financial statements.)

SASKATCHEWAN GAMING CORPORATION HOLDINGS INC.

STATEMENT 3
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31

	2002	2001
Cash Flow from Operating Activities:		
Net income	$ 27,896	$ 17,309
Changes in non-cash working capital balances:		
Accounts Receivable	(492,790)	(185,221)
Prepaid Expenses	(141,634)	---
Accounts Payable	539,964	1,460,535
	(66,564)	1,292,623
Cash Flow from Investing Activities:		
Additions to lease receivable	(21,607,108)	(7,027,724)
Repayment of lease receivable	4,448,217	5,466,388
	(17,158,891)	(1,561,336)
Cash Flow from Financing Activities:		
Transfer to SGC	(17,309)	(8,757)
Increase in due to SGC	1,833,533	4,251,432
Loan for casino expansion	17,000,000	---
Repayment of debt	(1,706,254)	(3,965,256)
	17,109,970	277,419
Net Increase in Cash	(115,485)	8,706
Cash, beginning of year	248,953	240,247
Cash, end of year	$ 133,468	$ 248,953

(See accompanying notes to the financial statements.)

1. Description of Business

SGC Holdings Inc. was incorporated under *The Business Corporations Act* (Saskatchewan) and is a wholly owned subsidiary of the Saskatchewan Gaming Corporation (SGC). Since its inception, SGC Holdings Inc. purchased capital assets and leased them to SGC for the operation of Casino Regina. The financial results of SGC Holdings Inc. are included in the consolidated financial statements of SGC.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

3. Long-term Lease Receivable

SGC Holdings Inc. entered into a building and equipment lease agreement with SGC. The receivable is non-interest bearing and has minimum repayments as follows:

Year ending March 31	2002	2001
2002	$ ---	$ 4,448,217
2003	5,739,236	4,104,031
2004	5,403,550	3,768,345
2005	4,897,980	3,262,775
2006	4,640,852	3,057,118
2007	4,074,412	1,725,446
2008 and subsequent	19,905,691	7,136,898
	$44,661,721	$27,502,830

	2002	2001
Total minimum payments receivable	$ 44,661,721	$ 27,502,830
Less current portion	5,739,236	4,448,217
	$ 38,922,485	$ 23,054,613

4. Due to SGC

Amounts due to SGC are non-interest bearing and payable on demand. These amounts represent payments made by SGC on behalf of SGC Holdings which have not yet been reimbursed.

5. Long-Term Debt

	2002	2001
Land and Building Loan, repayable in monthly instalments of $256,715 including interest at 9.2%, due April 1, 2011	$ 18,808,171	$ 20,093,457
Building Loan, repayable in monthly instalments of $76,572 including interest at 6.48%, due December 1, 2016	8,713,691	---
Building Loan, repayable in monthly instalments of $67,790 including interest at 6.17%, due December 1, 2016	7,865,341	---
	35,387,203	20,093,457
Less current portion	2,111,202	1,285,286
	$ 33,276,001	$ 18,808,171

During the year, SGC Holdings obtained new loans totalling $17,000,000 for construction of a new entertainment facility west of Casino Regina, a parking structure, and pedway linkages with the nearby shopping centre and the adjacent hotel. Saskatchewan Property Management Corporation (SPMC) managed this project for SGC Holdings Inc.

The above loans are secured by assets and shares of SGC Holdings Inc. Principal repayments required in the next five years are as follows:

2003	$	2,111,202
2004		2,292,198
2005		2,489,157
2006		2,703,520
2007		2,936,860
2008 and subsequent		22,854,266
	$	35,387,203

Under an agreement between SGC and SGC Holdings Inc., SGC is responsible for paying the interest portion of the loans directly to the lenders. Accordingly, these financial statements do not show the cost of servicing this debt. For the year ended March 31, 2002, SGC's financial statements include interest expense of $2,489,922 (2001 - $2,028,481) for this debt.

6. Share Capital

	2002	2001
Authorized		
Unlimited voting common shares with no par value		
Unlimited non-voting preferred shares with no par value		
Issued and outstanding		
100 common shares	$ 1,000	$ 1,000

7. Related Party Transactions

These financial statements include transactions with related parties. SGC Holdings Inc. is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Corporation is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms.

SGC Holdings Inc. has not been charged with administration costs. These costs have been absorbed by SGC.

In addition, SGC Holdings Inc. pays Saskatchewan Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

SGC Holdings Inc also paid $21,856,954 to SPMC related to the Casino Regina expansion. Also included in accounts payable is $2,044,710 to SPMC. These amounts have been capitalized.

Other amounts due to or from related parties are disclosed elsewhere in these financial statements.

SASKATCHEWAN GAMING CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

OPERATING AS:

Casino Regina

MANAGEMENT REPORT

The accompanying financial statements and related financial information presented throughout the Annual Report have been prepared by management using generally accepted accounting principles. Management is responsible for the integrity, objectivity and reliability of the financial statements.

The financial statements for the year ending March 31, 2002 have been approved by the Saskatchewan Gaming Corporation's Board of Directors.

Management of the corporation has established (and maintains) a system of internal controls, providing assurance that transactions are recorded and executed in compliance with legislation and authority; assets are safeguarded, there is an effective segregation of duties and responsibilities, and reliable records are maintained. An auditing function exists within the corporation that objectively assesses the effectiveness of internal controls.

The Provincial Auditor has examined the corporation's financial statements. The Auditor's Report to the Members of the Legislative Assembly of Saskatchewan expresses an independent opinion of fairness of presentation of the corporation's financial statements in accordance with generally accepted accounting principles.

Joe van Koeverden
President and CEO

Twyla Meredith
Vice-President
Finance and Administration

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the consolidated statement of financial position of Saskatchewan Gaming Corporation as at March 31, 2002 and the consolidated statements of operations and retained earnings, and cash flows for the year then ended. Saskatchewan Gaming Corporation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Saskatchewan Gaming Corporation as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
April 29, 2002

Fred Wendel, CMA, CA
Acting Provincial Auditor

SASKATCHEWAN GAMING CORPORATION

STATEMENT 1
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31

ASSETS

	2002	2001
Current assets:		
Cash and short-term investments	$ 16,780,973	$ 14,668,772
Accounts receivable	889,492	318,678
Inventory	176,504	155,164
Prepaid expenses	580,150	473,898
	18,427,119	15,616,512
Capital assets (Note 3)	50,781,520	32,026,079
Total Assets	$ 69,208,639	$ 47,642,591

LIABILITIES AND RETAINED EARNINGS

Current liabilities:		
Accounts payable and accrued liabilities	$ 7,441,216	$ 4,840,047
Current portion of long-term debt (Note 4)	2,111,202	1,285,286
	9,552,418	6,125,333
Due to General Revenue Fund (Note 1)	26,380,220	22,709,087
Long-term debt (Note 4)	33,276,001	18,808,171
Retained earnings (Statement 2)	---	---
Total Liabilities and Retained Earnings	$ 69,208,639	$ 47,642,591

Commitments (Note 5)

(See accompanying notes to the financial statements.)

SASKATCHEWAN GAMING CORPORATION

STATEMENT 2
CONSOLIDATED STATEMENT OF OPERATIONS AND RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31

	2002 Budget	2002 Actual	2001 Actual
	(Note 12)		
Revenue:			
Slot machines	$ 56,200,000	$ 55,700,726	$ 50,231,167
Table games	9,200,000	8,177,664	8,452,763
Other revenue (Note 6)	5,546,200	5,788,894	4,657,944
	70,946,200	69,667,284	63,341,874
Less promotional allowances	3,406,100	3,269,523	2,361,525
	67,540,100	66,397,761	60,980,349
Expenses (Note 7):			
Casino and administration	24,503,100	24,932,997	22,302,522
Contractual obligation (Note 5 a)	2,600,000	2,600,000	2,600,000
Ancillary services (Note 6)	3,941,400	4,669,462	2,883,049
Amortization and asset write-down	5,750,000	3,022,168	4,053,117
Interest	2,576,900	2,489,924	2,029,187
Taxes (Note 10)	2,815,000	2,302,990	3,059,206
Consulting (Note 8)	---	---	1,344,181
	42,186,400	40,017,541	38,271,262
Net income	25,353,700	26,380,220	22,709,087
Retained earnings, beginning of the year	---	---	---
Due to General Revenue Fund (Note 1)	25,353,700	26,380,220	22,709,087
Retained earnings, end of the year to Statement 1	$ ---	$ ---	$ ---

(See accompanying notes to the financial statements.)

SASKATCHEWAN GAMING CORPORATION

STATEMENT 3
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED MARCH 31

	2002	2001
Cash flows from operating activities:		
Net income	$ 26,380,220	$ 22,709,087
Items not involving cash:		
Amortization of capital assets	3,048,842	4,120,909
Amortization of deferred charges (Note 9)	---	376,104
Write-down of assets	(26,673)	(67,792)
Changes in non-cash working capital balances:		
Accounts receivable	(570,814)	(246,460)
Prepaid expenses	(106,252)	(18,641)
Inventories	(21,340)	9,382
Accounts payable and accrued liabilities	2,601,169	1,125,702
	31,305,152	28,008,291
Cash flows from investing activities:		
Proceeds from sale of capital assets	4,008,576	217,758
Additions to capital assets	(25,786,186)	(7,027,724)
	(21,777,610)	(6,809,966)
Cash flows from financing activities:		
Payment to General Revenue Fund	(22,709,087)	(19,816,624)
Loan for casino expansion	17,000,000	---
Repayment of debt	(1,706,254)	(3,965,256)
	(7,415,341)	(23,781,880)
Net increase/(decrease) in cash	2,112,201	(2,583,555)
Cash and short-term investments, beginning of the year	14,668,772	17,252,327
Cash and short-term investments, end of the year	$ 16,780,973	$ 14,668,772

(See accompanying notes to the financial statements.)

1. Description of Business

The Saskatchewan Gaming Corporation (SGC) manages and operates Casino Regina. SGC was established as a Treasury Board Crown Corporation under *The Saskatchewan Gaming Corporation Act, 1994* (Act). Under Section 13 of the Act, SGC, unless directed otherwise by Treasury Board, shall pay its net profits for each fiscal year to the General Revenue Fund.

SGC was established to provide for separation of regulatory and operational aspects of gaming. SGC must operate in accordance with statutory provisions established under Section 207 of the *Criminal Code of Canada* and *The Alcohol and Gaming Regulation Act, 1993*. Regulation of its operations is controlled by the separately constituted Saskatchewan Liquor and Gaming Authority.

On July 25, 2001, SGC received approval from the Lieutenant Governor in Council to establish a casino in Moose Jaw.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The significant policies which have been adopted are described below.

a) Basis of Consolidation

The consolidated financial statements combine the accounts of Saskatchewan Gaming Corporation and its wholly-owned subsidiary, SGC Holdings Inc.

b) Revenue

Gaming revenue (table and slot revenues) represents the net win from gaming activities, which is the difference between the amounts wagered and pay-outs by the casino. Gaming revenues are net of accruals for anticipated payouts of progressive jackpots.

c) Players Club Program

As part of its customer loyalty initiative, SGC offers a Players Club program to patrons. Under the program, club members accumulate reward points based on the amounts wagered and time spent on certain slot machines. Members can redeem their points for cash. SGC records the points earned as a reduction of gaming revenue.

d) Promotional Allowances

The retail value of goods and services furnished to casino guests without charge is included in revenue and then deducted as promotional allowances. Promotional allowances also include complimentary coins given to patrons.

e) Inventory

Inventory is stated at the lower of cost and net realizable value.

f) Capital Assets

Capital assets are stated at cost less accumulated amortization. Assets are amortized commencing in the year in which assets are placed in service using the straight-line method over their useful lives as follows:

Building and renovations	Five to forty years
Gaming equipment	Three to five years
Computer equipment	Three to five years
Furniture and equipment	Three to five years

g) Cash and Short-term Investments

Cash and short-term investments consist of cash on hand and balances with banks and investments in a Canadian money market fund. Short-term investments are carried at cost, which approximates market value.

3. Capital Assets

	2002			2001
	Cost	Accumulated Amortization	Net Carrying Amount	Net Carrying Amount
Building and renovations	$ 48,491,648	$ 5,331,246	$ 43,160,402	$ 23,907,528
Gaming equipment	10,656,025	8,989,628	1,666,397	1,961,424
Land	4,228,000	---	4,228,000	4,228,000
Computer equipment	3,396,638	2,602,835	793,803	617,469
Furniture and equipment	2,878,653	1,945,735	932,918	1,311,658
Total	$ 69,650,964	$ 18,869,444	$ 50,781,520	$ 32,026,079

SGC negotiated cost-sharing arrangements with the City of Regina, Regina Market Square and the hotel adjacent to the casino for the construction of pedway linkages. Under these arrangements, SGC retains ownership of the assets. During the year, the amounts received from the other parties of approximately $795,000 were credited against the cost of the capital assets.

4. Long-Term Debt

	2002	2001
Land and Building Loan, repayable in monthly instalments of $256,715 including interest at 9.2%, due April 1, 2011	$ 18,808,171	$ 20,093,457
Building Loan, repayable in monthly instalments of $76,572 including interest at 6.48%, due December 1, 2016	8,713,691	---
Building Loan, repayable in monthly instalments of $67,790 including interest at 6.17%, due December 1, 2016	7,865,341	---
	35,387,203	20,093,457
Less current portion	2,111,202	1,285,286
	$ 33,276,001	$ 18,808,171

During the year, SGC Holdings obtained new loans totalling $17,000,000 for construction of a new entertainment facility west of Casino Regina, a parking structure, and pedway linkages with the nearby shopping centre and the adjacent hotel. Saskatchewan Property Management Corporation (SPMC) managed this project for SGC Holdings Inc.

The above loans are secured by assets and shares of SGC Holdings Inc. Principal repayments required in the next five years are as follows:

2003	$ 2,111,202
2004	2,292,198
2005	2,489,157
2006	2,703,520
2007	2,936,860
2008 and subsequent	22,854,266
	$ 35,387,203

5. Commitments

a) Agreement with Regina Exhibition Association (Association)

On April 1, 1997, SGC entered into an agreement with the Association to fulfill previous commitments made to the Association regarding the maintenance of a certain level of its income.

The Association terminated the agreement effective November 23, 1997. Under the termination provisions of the agreement, SGC agreed to pay the Association monthly payments of $235,417 for the first year following termination of the agreement and monthly payments of $216,667 in each year thereafter for 29 years.

b) Operating Lease

SGC sold certain equipment to a leasing company. SGC then made an agreement with the leasing company to lease back the equipment. The lease terms for the equipment range from 36 to 43 months. Lease and rental expense includes $269,130 for leasing this equipment.

The minimum annual lease payments required are as follows:

2003	$ 795,635
2004	911,568
2005	1,337,370
2006	372,112
Total	$ 3,416,685

c) Casino Moose Jaw Expansion

On July 19, 2001, SGC made an agreement with Harvard Developments Inc. (Harvard) and the Temple Gardens Mineral Spa Inc. (Temple Gardens) for the construction of Casino Moose Jaw. Upon the completion of construction, SGC will lease the property from Harvard and Temple Gardens for 25 years at an annual cost of $900,000 for the first ten years, and $955,000 thereafter. At the end of the lease, SGC will acquire the property for the sum of one dollar. Construction is expected to be completed in September 2002.

d) Agreement with Moose Jaw Exhibition Company Ltd. (MJEX)

On July 31, 2001, SGC made an agreement with MJEX regarding the maintenance of a certain level of income upon the opening of Casino Moose Jaw.

Under the provisions of the agreement, SGC agreed to pay MJEX $125,000 upon SGC receiving all approvals necessary to proceed with the Casino Moose Jaw project. SGC agreed to pay a further $125,000 to MJEX upon MJEX providing indemnity to SGC against any claims by or on behalf of MJEX employees as a result of the project. By year-end, MJEX met both of these conditions. SGC has recorded $250,000 as operating expenses.

The agreement also requires SGC to pay MJEX the sum of $415,000 annually. This amount will be reduced by payments MJEX may receive from the Community Initiatives Fund in that year and by the net profits of MJEX's casino operations in that year. The obligation will commence on the first day of the fourth month after the opening of Casino Moose Jaw and will continue for a period of 25 years.

6. Other Revenue

	Food & Beverage	Parking	Show Lounge	Gift Shop	Other	2002 Total	2001 Total
Revenue:							
Sales	$ 4,733,390	$ 1,211,697	$ 486,856	$ 463,753	$ ---	$ 6,895,696	$ 5,327,419
Cost of goods sold	1,439,695	---	---	365,598	---	1,805,293	1,543,934
Gross profit	3,293,695	1,211,697	486,856	98,155	---	5,090,403	3,783,485
Interest	---	---	---	---	309,934	309,934	416,847
Rent and other	16,098	---	---	14,627	357,832	388,557	457,612
Total revenue	3,309,793	1,211,697	486,856	112,782	667,766	5,788,894	4,657,944
Expenses	3,097,742	678,327	789,002	104,391	---	4,669,462	2,883,049
Operating income	$ 212,051	$ 533,370	$ (302,146)	$ 8,391	$ 667,766	$ 1,119,432	$ 1,774,895

7. Expenses by Object

	2002	2001
Salaries and benefits	$ 17,277,442	$ 15,248,207
Marketing and communication	4,363,108	3,671,082
Utilities, insurance, supplies and maintenance	3,952,552	2,798,602
Amortization and asset write down	3,022,168	4,053,117
Contractual Obligations (Note 5 a)	2,600,000	2,600,000
Interest	2,489,924	2,029,187
Taxes (Note 10)	2,302,990	3,059,206
Professional services	1,257,179	1,280,981
Uniforms, recruitment and training	924,175	1,062,272
Lease and rental	784,642	374,579
Other operating expenses	1,043,361	749,848
Consulting (Note 8)	---	1,344,181
Total Expenses	$ 40,017,541	$ 38,271,262

8. Holland Casinos

SGC had retained Holland Casinos to assist in the development and operation of Casino Regina. A five year agreement was finalized in April 1995, to commence January 1996. Under the agreement, SGC paid to Holland Casinos an amount equal to 1.5% of gross gaming revenue, and 1.5% of net profits per operating year for five years, plus any salaries, travel, and living expenses incurred by Holland Casinos staff. The agreement with Holland Casinos expired January 25, 2001.

9. Deferred Charges

In 1995, SGC purchased a five-year non-exclusive licence to use Holland Casinos' "know-how" and proprietary software. The total cost of this license was amortized to consulting expense over a five-year period ending January 25, 2001.

10. Taxes

SGC is on the prescribed list of lottery corporations pursuant to Section 188 of *The Federal Excise Tax Act*. In lieu of collecting Goods and Services Tax (GST) on revenue at the retail level, SGC calculates and remits GST according to a formula prescribed by Canada Customs and Revenue Agency (CCRA). The formula requires SGC to pay 14% on the purchase of goods and services related to gaming activities.

GST and Provincial Sales Tax on equipment leased from SGC Holdings Inc. is expensed over the term of the lease. Also included in taxes is grants in lieu of property tax.

During the fiscal year, SGC engaged a consultant to complete a comprehensive analysis of how GST applies to gaming and non-gaming activities. Based on the allocation methodology recommended by the consultant, SGC submitted a request for GST recovery to CCRA for the period April 1, 1998 to August 31, 2001. Although CCRA has paid SGC the refund requested as a result of the changed allocation methodology, CCRA has not yet agreed to the revised allocation methodology. CCRA is currently conducting an audit of SGC's new allocation methodology. SGC cannot reasonably estimate the outcome of this audit. Accordingly, SGC has not recorded the GST recoveries or the consultant's contingent fee in the consolidated statement of operations. Amounts received during the year net of consultant fees have been recorded in accounts payable and accrued liabilities. SGC plans to record the recoveries and consultant fees in the consolidated statement of operations in the year the outcome of CCRA's audit is communicated.

11. Pension Plan

Substantially all of SGC's permanent employees participate in the Capital Pension Plan (the Plan), a defined contribution pension plan which is administered by the Plan's Board of Directors, using staff and facilities provided by Crown Investments Corporation of Saskatchewan. SGC's financial obligation is limited to matching the required amounts contributed by employees for current service, which totalled $703,297 for 2002 (2001 - $638,728). The amount required to be contributed by employees is 5.5% of salary.

12. 2002 Budget

These amounts represent the budget approved by the Board of the Saskatchewan Gaming Corporation.

13. Related Party Transactions

These consolidated financial statements include transactions with related parties. SGC is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, SGC is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. These transactions are as follows:

Category	2002	2001
Salaries and benefits	$ 918,253	$ 760,044
Utilities, insurance, supplies and maintenance	1,025,657	801,675
Restaurant - cost of sales	397,990	388,475
Other operating expenses	59,920	484,006
Accounts payable and accrued liabilities	165,719	26,974

In addition, SGC pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. SGC also collects Liquor Consumption Tax and remits to the Saskatchewan Department of Finance.

SGC Holdings Inc also paid $21,856,954 to SPMC related to the Casino Regina expansion. Also included in accounts payable is $2,044,710 to SPMC. These amounts have been capitalized.

Other transactions with related parties and amounts due to/from them are described separately in the consolidated financial statements and the notes thereto.

Saskatchewan Gaming Corporation
Supplementary Financial Information
Personal Services
For the period ending March 31, 2002

Listed are individuals, excluding unionized employees, who received payments for salaries, wages, secondments, honorariums, etc. which total $2,500 or more

Name	Payment Amount		
Abel, Kristen	37,592	Locke, Theresa	19,719
Abuan, Rita	46,723	Love, Neil	55,437
Acoose, Trevor	52,102	MacRae, Stuart	52,218
Adams, Ron	57,069	Maelde, Guido	43,152
Affie, Dwayne	54,605	Manz, Sherry	37,911
Alexson, Greta	8,146	Mario, Carmela	40,301
Anaquod, Gwendy	31,490	McMillan, Deanne	12,774
Apperley, Terri	22,937	Meredith, Twyla	105,314
Arlint, Robert	22,640	Milliken-Smith, Craig	61,285
Barss, Shannon	15,494	Minvielle, Jason	17,838
Bellegarde, Walter	5,394	Montanini, Debra	60,092
Bellinger, Keith	38,711	Murray, Debra	57,249
Bitternose, Ken	53,606	Murray, Gordon	50,451
Blazic, Brent	23,737	Parisian, Richard	54,243
Brimble, Sheila	32,367	Pascal, Tracey	44,800
Burns, Sarah	31,525	Pearson, Edward	46,466
Caldwell, Victoria	44,005	Pelletier, Robert	52,224
Cardinal, Robert	47,630	Perovic, Dalila	13,702
Carsten, Les	48,211	Perovic, Jovica	14,706
Casper, Doug	81,854	Petit-Homme, Carlos	11,544
Caughlin, Bruce	10,991	Petit-Homme, Cary	4,747
Chan, Heidi	13,776	Pisio, Angela	50,925
Cloutier, Les	60,910	Poitras, Lola	37,937
Collum, Kenneth	61,672	Pratt, Jason W.	11,237
Cooper, George	5,416	Price, Lynda	39,447
Cote, Brenda	77,494	Prizeman, Josephine	17,853
Cozman, John	8,631	Quennell, Leslie	16,222
Crowe, Barry	5,895	Read, Gregory	36,807
Currie, Charles	10,831	Reavie, Bardy	14,100
Cyr, Delvina	50,866	Reynolds, Ross	31,517
Daradich, Elliott	64,791	Robertson, Carolyne	49,811
Davies, William	63,101	Robison, Blair	37,752
DeIwo, Stacy	2,766	Roe, Angela	9,508
Dreger, Charlene	9,508	Roenspiess, Charlene	9,582
Dressler, Maxwell	88,821	Sawicki, Kevin	49,194
Dureau, Greg	65,357	Schmidt, Kelly	52,057
Eggleston, Darcy	40,985	Sebastian, Joyce	20,488
Elliott, Lani	10,329	Severight, Mona	14,257
Engel, Gailen	52,370	Shoulak, Elma	91,114
Erickson, Rita	57,783	Slopinski, Sandra	39,004
Ermel, Delia	66,929	Smith, Perry	5,900
Ermel, Ralph	66,349	Smith, Robert	46,876
Fahlman, Lillian	16,404	Spence, Holly	55,938
Ferguson, Dallas	66,463	Sterzer, Alphonse	48,067
Fischer, Gerald	107,114	Stewart, Tracy	45,931
Fletcher, Diane	68,101	Stonechild, Gerald	19,126
Foraie, Denise	35,433	Taylor, Alicia	19,789
Gartner, Rosanne	40,896	Taylor, David	39,841
Gidluck, Lynn	52,960	Taylor, Robert	23,841
Guay, Joanne	18,210	Taypotat, Wendy	34,139
Hackywicz, Carol	20,074	Terhorst, Thomas	18,745
Hanoski, Cindy	39,337	Tillie, Shannon	2,697
Howie, Jane	50,495	Toop, Wendy	47,706
Hutchison, Wendy	71,533	Turcotte, Andy	47,530
Jackson, Rhonda	31,867	Turcotte, Paulette	20,321
Jones, Ron	57,041	Uhl, Gene	49,602
Katchuk, Ryan	36,587	Ward, Keith	39,848
Kennedy, Ivy	49,518	Weist, Faye	53,098
Khan, Jeff	43,854	Whiting, Cheryl	22,571
Kim, Susan	53,519	Windrum, Charmaine	31,319
Kohl, Margaret	34,843	Wolfe, Lesley	20,090
Lafond, Darwin	30,260	Wurm, Dean	32,521
Lajoure, Lesle	32,592	Yee, Jada	10,165
Lane, Lauretta	9,700	van Hallem, Pauline	40,014
Laroque, Gregory	53,420	van Koeverden, Joe	132,311
Lekien, Robyn	24,803		5,123,962
Lerat, Fayth	34,561	Ministerial Assistant's Salaries	64,917

Saskatchewan Gaming Corporation
Supplementary Financial Information
Suppliers expenses over $20,000
(Net of GST) 2001-02
For the period ending March 31, 2002

ALFORD'S	43,163	KAOS SOLUTIONS	32,062
ALL ACES TOUR	50,317	KLUMPP & SON CABINETS LTD	30,953
ALLEN, RORY	21,300	KPMG LLP	37,109
ALLIANCE ENERGY LTD	30,001	MACPHERSON, LESLIE & TYERMAN	57,629
AON REED STENHOUSE INC	100,363	MAWANDONAN CONSULTING	46,009
ARC TECHNOLOGIES INC	21,498	MEMORIAL CUP 2001 INC	25,000
ARISTOCRAT TECHNOLOGIES INC	106,388	MERIT PRINTING LIMITED	20,488
ATRONIC AMERICAS, LLC	59,982	MEZZALUNA DESIGNS INC	140,676
BLAKE, CASSELS & GRAYDON LLP	43,966	MIKOHN GAMING CORP	153,167
BMP DIGITAL INC	20,004	MINISTER OF FINANCE	50,338
BOSGOED PROJECT CONSULTANTS LTD	34,058	MOOSE JAW EXHIBITION CO LTD	254,000
BRENNAN OFFICE PLUS	22,901	NUMBER TEN ARCHITECTS	118,622
BREWERS DISTRIBUTORS LTD	262,042	PACIFIC FRESH FISH LTD	28,450
CADILLAC FAIRVIEW CORP LIMITED	35,912	PEPSI BOTTLING GROUP (CANADA)	103,513
CANADIAN LINEN AND UNIFORM	78,496	PHOENIX ADVERTISING GROUP	1,996,406
CAPITAL PENSION & BENEFITS ADM	703,297	PRINTWEST	283,570
CARDINAL TRAVEL TOURS INC	26,366	PROFESSIONAL WESTERN COMPUTERS	23,596
CAREFREE GETAWAYS	283,328	RECEIVER GENERAL	1,914,731
CENTENNIAL REGINA	296,210	REGINA EXHIBITION ASSOC LTD	2,600,000
CHRISTIE MECHANICAL LTD	32,702	REGINA'S MARKET SQUARE	20,262
CITY OF REGINA	555,708	RUSSELL FOOD EQUIPMENT LTD	44,597
CLASSIC GLAMORISING	180,738	SASK CENTRE OF THE ARTS	27,233
CORNWALL CENTRE PARKADES	32,243	SASK ENERGY	175,923
COUGHLIN & ASSOC LTD	31,711	SASK INDIAN FEDERATED COLLEGE	20,106
DOMINION CONSTRUCTION CO INC	56,259	SASK LIQUOR & GAMING AUTH	222,125
ECOLAB LTD	64,817	SASK POWER CORP	449,639
FANTASTIC CLEANING	718,992	SASK PROPERTY MANAGEMENT CORP	246,246
FAST CONSULTING	56,922	SASK WORKERS COMPENSATION BD	100,946
FIRST CHOICE FOODSERVICES LTD	173,082	SASK-TEL	189,692
GABER, BARRY	142,967	SASK-TEL MOBILITY	32,567
GEANEL RESTAURANT SUPPLIES LTD	68,404	SEGA GAMES TECHNOLOGY INC	26,861
GLOBAL PAYMENT TECHNOLOGIES IN	75,409	SERCA FOODSERVICES INC	179,824
GLOBE THEATRE	156,231	SHARED VISIONS INC	20,803
GOLD AND GOLD PRODUCTIONS	98,000	SHUFFLE MASTER, INC	98,120
GRAND & TOY	80,802	SINFONIA TRAVEL REGINA	251,364
GREAT WEST LIFE ASSURANCE CO	360,962	SUN ELECTRIC (1975) LTD	167,476
GREENE VALLEY CONCESSIONS	134,478	TAYLOR VOLKSWAGEN	26,728
HIGH LINE CORPORATION	21,641	TECHNOLOGY MANAGEMENT CORP	696,778
HI-TECH GAMING LTD	61,880	TG MARKETING	22,507
HOLLAND CASINOS	113,169	TOURISM REGINA	88,499
HONEYWELL LIMITED	20,587	TRIPLE 7 TOURS	20,666
HOUGHTON BOSTON PRINTERS	33,400	UNISOURCE CANADA INC	65,545
INDEPENDENT'S CHOICE DISTRIBUT	133,789	VAUGHN WYANT AUTOSPORT LTD	68,930
INNOVA ENVELOPE INC	45,227	WALLACE & CAREY LTD	239,884
INTERCAS SERVICES LIMITED	64,433	WAREHOUSE SYSTEMS INC	28,677
INTERNATIONAL PLAYING CARD	74,481	WATSON WYATT CANADA	41,959
JENODE TOURS	47,911	WESTON BAKERIES LIMITED	40,853
JIMBOB BOYCHUK & SONS EXC	22,450	WHEATON CHEV OLDS	78,440
KAJATI, DARREL	33,930		
KANUKA THURINGER	204,439		17,746,920